

The University of Chicago

MERIT SYSTEMS IN SOCIAL SECURITY
A STUDY OF THE ADMINISTRATION OF THE
PERSONNEL AMENDMENTS TO THE
SOCIAL SECURITY ACT

A PART OF A DISSERTATION SUBMITTED TO
THE FACULTY OF THE DIVISION OF THE
SOCIAL SCIENCES IN CANDIDACY FOR THE
DEGREE OF DOCTOR OF PHILOSOPHY

DEPARTMENT OF POLITICAL SCIENCE
DECEMBER, 1942

By
JEAN CHARTERS GRAHAM

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CHAPTER VII

CONTRIBUTIONS OF THE SOCIAL SECURITY MERIT SYSTEM PROGRAM TO POLICIES OF GRANT-IN-AID ADMINISTRATION

For two years the federal Social Security Board, under authority of Congress, has been engaged in fostering and improving the standards of personnel administration in state social security agencies. In the preceding chapters there has been presented a brief sketch of the status of federal-state personnel relations at the time the Board set forth on its state personnel program, the personnel developments that had taken place in each of the professional fields of public welfare, employment security, and public health, the activities of the Social Security Board in the field of state personnel administration that preceded the amendment of the Social Security Act, and, finally, a detailed description of the Board's state merit system program as it has developed under the 1939 mandate of Congress which required as a condition of the receipt of federal social security funds "the establishment and maintenance of personnel standards on a merit basis." This description encompassed the contents of the minimum personnel standards promulgated by the Board, the organization of the Board for administering these standards, and the techniques that have been utilized for control and enforcement. It seems appropriate now to analyze the social security merit system program in broad terms of the light that may be shed upon the development of adequate state personnel standards through the grant-in-aid device, and the contributions that have been made to general policies of grant-in-aid administration.

Out of the details of the Social Security Board's state personnel program emerge certain broad conclusions. While the writer recognizes that the examination of additional material not included within the scope of the study may alter the validity of the conclusions, it is suggested that the facts presented in earlier pages tend to substantiate the following hypotheses: (1) that the

grant-in-aid device has proved feasible as a method for stimulating improvement of personnel standards in state social security agencies; (2) that there is need for complete participation and coöperation at the state level of government; (3) that persuasion alone is insufficient to ensure the adoption and maintenance by states of a sound personnel system; (4) that federal minimum personnel standards must be detailed and specific; (5) that close federal control over personnel standards of state agencies permits relaxation of detailed federal supervision over other administrative standards; (6) that close integration of personnel supervisory activities with other management supervisory activities of the federal grant-administering agency is desirable; and (7) that the provision of central administrative services is feasible and useful.

In the following pages consideration in greater detail will be given to each of these hypotheses, and the evidence for affirming them will be marshalled.

Feasibility of the Grant-in-Aid device for Stimulating Improvement of State Personnel Standards

The Social Security Board's state personnel program has clearly indicated that state officials will (though often reluctantly) improve the personnel standards of their social security agencies in order to secure federal social security grants. The fact that all states and counties employing public welfare and employment security workers have within two years inaugurated a personnel program, if they had none previously, indicates the success of the grant-in-aid device for attaining at least lip service to merit system standards. In addition, the Social Security Board has been able to secure the preparation and adoption of classification and pay plans and the holding of competitive and qualifying examinations in virtually all of these jurisdictions. Close federal controls exercised over appointing procedures has abolished rampant patronage practices and eliminated a large proportion of the occasional political appointment indulged in by ordinarily honest officials. Preliminary reports indicate that during the year 1941 only a comparatively small number of dismissals of social security workers were even challenged as political actions. This progress report of the improvement of state personnel standards under the social security grant-in-aid becomes significant when

it is remembered that in 1935 when the Social Security Act was first passed only nine states and a handful of counties were operating under civil service procedures, and that even among some of these jurisdictions classification and pay plans had not been kept up to date or sometimes not even established, and examinations were often irregularly held. In non-civil service states and counties the spoils system accounted for turnover under some administrations as high as ninety per cent.

At the outset of the Social Security Board's state merit system program the opinion was voiced by some state political representatives that the federal government was invading the rights of the states by interfering with internal personnel management, and that such interference was unconstitutional. Today, the personnel requirements of the Board are commonly accepted, and the energies of political opponents have been devoted to circumventing rules and regulations rather than to decrying the acceptance of general merit system principles. The Board has found that the desire of the states to participate in social security grants has been a sufficient incentive to enable at least general adherence to standards established as prerequisites to the grants. Each time the Board has seriously questioned a state's recognition of the personnel standards, officials of that state have remedied the situation that was under criticism.

In connection with the question of the feasibility of the grant-in-aid device for stimulating improvement of state personnel standards, two conditions should be noted. First, the evidence appears to indicate that the grants must be of sufficiently large amounts to act as an incentive to the states to satisfy the prerequisites. Just how large the grants must be is not known. Each of the grants administered by the Social Security Board has apparently been great enough, for no instance of a state foregoing its share of federal funds has occurred. In the public health program, however, where the grants are considerably less than those for employment security and public assistance, the Missouri Board of Public Health refused to satisfy the conditions established by the Children's Bureau and the United States Public Health Service relating to personnel administration, preferring instead to relinquish its federal public health grants. Even in that state, however, plans were being made by the close of 1941 for the establishment of public health personnel standards in order to re-obtain

public health funds. The fact that the Children's Bureau and the United States Public Health Service have not pursued a more vigorous policy of enforcement of their standards may be a result of fear on their part that the public health and maternal and child-health grants were an insufficient incentive to the states to abolish patronage practices in the state departments affected.

Second, if too rigid standards are applied, or concepts of personnel administration too incompatible to certain state interests are enforced, it is conceivable that state political officials will seek redress through Congressional repeal of the personnel amendments to the Social Security Act. The memorial from the Texas legislature to Congress to this effect illustrates this potentiality. It should be noted, however, that only one other state legislature, that of California, has similarly memorialized Congress despite the fact that the Social Security Board has modified its original personnel standards in no major way. The occasional flexibility of the Board in applying deadlines or permitting deviations from the standards in particular states tends to offset threatening political repercussions.

In affirming the hypothesis that the grant-in-aid device is feasible as a method of improving state personnel standards, it is not contended that the grant-in-aid device can alone ensure the full development of adequate state personnel standards. In addition to the activities of the federal officials, the complete coöperation and participation of all partners in the enterprise is desirable.

Need for State Participation

In personnel, as in virtually all other aspects of public administration, the success of the program depends in large measure upon the interest and enthusiasm of those persons who are participating in the program. No set of personnel standards can be devised that will automatically produce a dynamic administration of personnel functions. Consequently, in order that the state social security merit system programs become more than a set of rules and regulations and routines, it becomes vitally important to engage the energies and initiative of state and local officials and employees, and the sympathy and understanding of the general public. In addition to such general considerations, four specific instances

of the need for complete and willing coöperation of state officials in the social security merit system programs have become evident in the Social Security Board's experience in this field.

First, the enforcement of merit system standards must be shared by the federal and state agencies. The federal government, alone, may be able to place sufficient pressure upon state officials to adopt merit system rules and regulations and to fulfill the form of adopting classification and pay plans and holding examinations, but the day-to-day administration of the standards, the application of general principles to specific cases, cannot be undertaken by federal representatives. In the first place, the personnel amendments to the Social Security Act prohibit the Social Security Board from exercising any authority with respect to the selection, tenure of office, and compensation of any individual employee; and in the second place, the number of employees of the Social Security Board would have to be enormously increased if each individual action were to be policed. As a result of this situation, the Board must depend upon the merit system council as the effective control agent over the personnel transactions of the operating agencies. If the personnel standards of the Social Security Board are to become fully effective, the merit system councils must become partners in the enforcement of the standards.

Second, the advancement and improvement of the personnel program in a particular state will be largely dependent upon the initiative, understanding, and foresight of the chief executives of the operating agencies, the merit system council, the merit system supervisor and his staff. In the past the Social Security Board's state personnel advisory staff has been forced to devote major time and energy to the minimum operations of state personnel programs, and there appears no reason to believe that this situation will not continue. For example, little guidance has been afforded to the states in the development of many in-service personnel functions such as service reports, sound placement procedures, and in-service training. Moreover, the development of the vitally necessary confidence and satisfactory working relationships between the state personnel agencies and operating agencies must be accomplished by the individuals involved, for it cannot be achieved by the federal representatives.

Third, the ultimate success of the state social security program will be conditioned by the extent to which general state

merit system standards improve, a condition that is outside the sphere of control of the federal grant-administering agency, and within the exclusive control of state executive, legislative, and pressure groups. The maintenance of an isolated area of sound personnel practices is difficult in an atmosphere of spoils practices. Not only does isolation tend to indicate lack of sympathy of the top executives of the state government for general merit system principles, but the morale of the employees of the social security agencies becomes affected by the infiltration of conflicting ideas and attitudes. Social security employees who seek promotion or transfer to other state agencies or departments continue to "play politics," and the exempted positions of the social security agencies are likely to be filled by persons qualified by political contributions rather than by qualities of training, experience, and zeal for the common welfare.

Since the federal grant-administering agency cannot cope with such problems even though its own program may be vitally affected, it must rely upon state interest and pressures to bring about the improvement of personnel standards in other departments of the state government. The Social Security Board can, however, contribute to the development of interest in the spread of the merit system by making sure that those engaged in the social security personnel program are enthusiastic proponents of merit system principles and fully understand the importance of progressive personnel practices. The example of an effective merit system program should be an incentive to the spread of the merit system principles, whereas constant conflicts or difficulties, narrowness in outlook, and rigidity of procedures will discourage potential civil service supporters.

Fourth, no personnel program can be fully effective unless it is understood and appreciated by the general public upon whom the operating agencies must draw for personnel, upon whom the merit system council must draw for support in enforcement of merit system principles, and upon whom the eventual decision of the future of state personnel improvement rests. Although the federal government may contribute to the bolstering of public confidence and interest in the merit system through the prestige of its association with the operating agencies, and through courageous support of the state personnel standards at crisis periods, it is the state agencies, both personnel and operating, which must bear the major task of

interpreting their programs to the public and of developing informational services and public relations activities.

The observation is briefly inserted by the writer that the Social Security Board has failed to realize fully the extent to which its personnel program is dependent for full development upon local coöperation and participation, and it has been slow to develop techniques for engaging such coöperation. To substantiate this statement are such facts as that, with one exception when the standards were first being promulgated, state officials have not formally been invited to participate in the discussion of the formulation of policy decisions or to suggest modifications in the standards or in the programming of the personnel activities of the Board; that in the selection of field personnel consultants, STAS has appeared, at least in the past, to place first emphasis upon technical qualifications rather than personality characteristics necessary to "sell" the personnel standards, and to win coöperation and understanding of the state officials concerned; and that on some occasions federal representatives have displayed attitudes of "superiority" to state officials and suspicion of their actions.

On the basis, then, of (1) the dual responsibility of the federal and state governments for enforcement of merit system standards; (2) the rôle of the state officials in guiding and advancing the personnel programs, (3) the rôle of state executive, legislative, and other groups in extending the merit system to other state departments, and (4) the responsibility of the state operating and personnel agencies for developing and maintaining public relations, the writer concludes that the full participation and coöperation, the understanding and enthusiasm of state and local employees administering or affected by the social security personnel program must be enlisted if adequate personnel standards are fully to be effectuated.

Persuasion and Pressure

No clearer evidence of the failure of the exclusive use of persuasive techniques in obtaining state compliance to a federal program has been afforded than that of the Social Security Board's experience in the field of minimum personnel standards. For nearly four years the Board attempted through every means at its disposal to persuade the states to adopt and maintain personnel standards

based on a merit system. While many states established merit systems during this period, it will be noted that the greatest number was in unemployment compensation agencies where the federal government had at least some means of pressure through line-item budget controls. It became increasingly clear to the Social Security Board during this four-year period that persuasion alone was not sufficient and that authority must be granted to the Board to require the establishment of merit systems in the states. Within two years after such authority had been granted to the Board by Congress, each of the social security operating agencies in every state in the Union had adopted the principles of a merit system and was well on its way to the establishment of a personnel program embodying these principles.

The fact that it becomes necessary to have sanctions available for use in no way indicates that in most situations persuasion is not superior to pressure. It is a nice problem to determine in what instances compulsion should or should not be utilized, but a problem that requires solution if federal minimum personnel standards are to become more than nominal. The use of force frequently operates to antagonize those upon whom it is exerted. So long as it is directed against the enemies of the merit system, no new antagonisms are created. But if the Social Security Board places pressures upon those who are attempting to carry out merit system principles, actual and potential supporters of the federal program may be alienated. In other words, to uphold the actions of a merit system supervisor against partisan attempts to sabotage the personnel program serves to strengthen not only his position but also his security in pursuing an honest course of action. To compel this same merit system supervisor, without winning his consent, to conform to detailed requirements, however, may jeopardize the development of a favorable attitude toward the federal agency and toward the ideas promulgated by that agency. The Social Security Board has not yet completely mastered the situation if judged by the number of friendly criticisms leveled at the "high-handed" attitudes displayed in circumstances calling for moderation and persuasion.

As noted in Chapter V, the Children's Bureau has been an ardent proponent of the long-run advantages to be gained by employing persuasion rather than pressure for the improvement of state personnel standards. As a possible laboratory to study the rela-

tive achievements of the techniques of compulsion and persuasion in stimulating adequate state personnel programs, the side-by-side presence of the Children's Bureau and Social Security Board programs would have considerable appeal. As a practical matter, however, over a short period the aggressiveness of the Board appears to have strengthened materially the Children's Bureau's state personnel standards, while the Children's Bureau's timidity in enforcement has weakened the program of the Social Security Board.

On the basis of the evidence presented in this study, the conclusion seems valid to the writer that persuasion alone is insufficient to ensure the adoption and maintenance by states of a sound and progressive personnel program based on a merit system.

Need for Detailed Minimum Personnel Standards

To the writer, who has long had a bias in favor of administrative discretion, the conclusion is reluctantly drawn that federal minimum personnel standards must, at least in the early stages of their enforcement, be detailed and specific.

Realizing the diversities among states and the great variety of practices in public personnel administration, one might normally expect a large degree of flexibility in federal requirements to permit local adaptation and experimentation. But in the social security personnel program, the limits within which states have freedom to choose alternatives of action are constantly being narrowed. When the Social Security Board first issued its minimum personnel standards, its requirements were already quite specific with regard to the organizational structure of the merit systems and to the examination process. Subsequent additions to the standards in the form of the Draft Rule and Board interpretations have made the federal requirements even more detailed. A classic example is the standard for certification from an eligible register which was originally defined only as a "limited number" but later came to be specified as the three highest names. Whether in the specifications prepared for classification plans, or in the type of examination considered appropriate, or in any one of a large number of areas of personnel administration, limitations on state action have been progressively added.

The reason for the increasing specificity of minimum personnel standards lies principally in the abuse of the flexibility

originally granted. In the example cited above, the standard for certification of names from an eligible register was set at the three highest names because certain state agencies had submitted rules for certification permitting a "limited number" as high as seven, eleven, and fifteen. It became clear to the Board that these states were attempting to nullify the principle of selection of the best qualified persons as determined by a merit examination. To prevent such sabotage of one of the basic merit system standards, the Board found itself forced to make an arbitrary decision at some figure and it chose the one that was most commonly designated by civil service agencies. Behind every similar refinement of the standards lies some situation in which a state had sought to take advantage of its freedom for the purpose of evading merit system standards.

As long as even some state officials who are responsible for the preparation and execution of merit system rules and regulations persist in circumventing merit system standards it would appear that the Social Security Board has no alternative but to define carefully the exact contents of a merit system program, and hold the responsible state officials to account for their recognition. When these state officials demonstrate their ability to operate within the boundaries of the selection and retention of the best qualified individuals on the basis of merit, it may then be possible to permit greater flexibility with regard to adherence to detailed requirements. Until the spoils system has been eradicated in state social security agencies, however, the minimum personnel standards established by a federal grant-administering agency must be precise and detailed if they are to retain meaning and effectiveness.

Personnel Controls as a Substitute for Other Federal Controls

That close federal control over personnel standards of state social security agencies would permit the relaxation of detailed federal supervision over other aspects of the social security program has been predicted by Social Security Board officials from the outset. The prediction was used as an argument for the amendment of the personnel provisions of the Act in 1939 both by the Board in its recommendation to the President and by Senator LaFollette on the floor of the Senate. Writing in December, 1939,

Arthur J. Altmeyer, a member of the Social Security Board, stated that "the establishment of a merit system will. . . .place federal-state relations on a more stable and adequate basis, since an adequate personnel system eliminates the necessity for detailed federal scrutiny of operation and the possibility of misunderstanding and conflict in federal-state relations. . . ."¹

The principle evidence, so far, of the greater administrative freedom accorded to state social security agencies which adopt and maintain satisfactory merit system standards has been the relaxation of line-item budget control in employment security programs.² Initially, state employment security agencies, which receive all administrative funds from the federal government, were required to secure federal approval for all transfers of funds from item to item in their budgets in order to prevent misuse of the federal moneys. Such detailed federal supervision has now been relaxed as the state agencies have indicated that they are operating under merit system standards and that their employees are qualified for assuming responsibility for honest expenditures of employment security administrative grants.

It is still too early to confirm fully the correctness of the hypothesis that federal supervision of personnel standards will result in greater freedom of state activity in other aspects

¹Arthur J. Altmeyer, "Personnel Standards Under the Social Security Act," Journal of State and Local Government Employees, III (December, 1939), 5.

In connection with this point, V. O. Key's observation is of particular interest. "When these relationships [federal-state] are conducted on a political level by political or partisan personages, the issues become questions of political prestige rather than technical problems. When the argument is in terms of 'the sovereign prerogatives of the Governor of the State of _____,' or of 'our power under the federal act,' there can be no satisfactory settlement; the alternatives are only triumph or face-saving. Political frictions are not entirely eliminated when relationships are on a professional plane, but, as professional custodians of the public interest, officials of both levels of government tend to have a community of interest and a sense of responsibility. The importance of legislation establishing political principles on which there is a consensus is not to be minimized; but under such legislation (and only such legislation is workable) it must be emphasized that current operation is greatly facilitated when all parties concerned are in general agreement on technical methods, principles, and concepts." V. O. Key, Jr., The Administration of Federal Grants to States (Chicago: Public Administration Service, 1937), p. 265.

²See supra, pp. 191-93. (See the complete dissertation, on file in the University of Chicago Libraries.)

of the social security program, since the benefits of a merit system cannot be realized in a short span of time. It must be remembered that many of the merit system councils held their initial examination programs as late as 1941. Nevertheless, the experience of the Social Security Board in relaxation of line-item budget controls in employment security agencies appears to justify a tentative affirmative answer to the proposition.

Integration of Personnel Supervisory and Other Supervisory Activities

A not yet completely solved problem in the Social Security Board is that of coördination of personnel supervisory activities with other supervisory activities of the operating bureaus. The lack of coördination has helped to focus attention upon the desirability for close integration of advisory personnel activities with other advisory relationships to state social security agencies.

The particular situation in the social security program which has sharpened the necessity for coördination has been the establishment in the states of joint merit system councils serving both the public welfare and employment security agencies. The establishment of an integrated personnel unit at the state level necessitated provision for coördination at the federal level in order to avoid inconsistent instructions and conflicting advice. As discussed in Chapter V, the Social Security Board met this need by establishing the State Technical Advisory Service, a central personnel unit to handle the work previously included in each of the operating bureaus--the Bureau of Public Assistance and the Bureau of Employment Security. Thus, the immediate problem of unitary supervision over state joint merit system councils was solved. But while solving one problem, the Board created new ones, for in order to integrate the personnel advisory activities of the two bureaus, it had dislocated its own intra-bureau integration of personnel supervisory with other management supervisory activities. This dislocation has been remedied in part through procedures for clearance, discussion, and joint review of state personnel matters between the bureaus and STAS. Areas of non-coördination, however, still exist, and a feeling of separation of personnel from other management activities has grown up because of structural separation of these functions within the Board. The difficulty becomes even more acute when it is remembered that the

merit system council has only the functions of examination and checking payrolls and personnel transactions and that the preparation of merit system rules and regulations, the maintenance of classification and pay plans, and in-service personnel management are the responsibility of the state operating agencies. In working out the total personnel program for a state social security agency, both STAS and the operating bureaus should be mutually concerned.

The most serious repercussions at the state level of the failure of the bureaus and STAS to reach a complete rapprochement that have been shown in this study are the transfer of attitudes of conflict to the state and lack of emphasis on phases of personnel activities of mutual concern to the two groups. Concerning the transmittal of attitudes, the STAS regional personnel methods consultants convey to the merit system supervisors the point of view of STAS; the bureau representatives carry to the state operating agencies the point of view held by their respective bureaus. While some state officials ignore evidences of internal friction in the Board, others have taken advantage of it to delay action or to embarrass the federal representatives; in still other states the merit system supervisor has become partisan to the point of view represented by STAS, and the agency official to the attitudes of the Bureaus, thus creating on the state level a duplication of the difficulties or conflicts that are present at the federal level.

In Chapter III it was pointed out that the development of the personnel unit of the operating agencies greatly suffered by comparison with the merit system council. While the explanation could be advanced that the organization and functioning of the merit system council was of primary importance, and therefore merited first attention, such an explanation does not appear entirely adequate. Some of the responsibilities of the personnel unit in the operating agency, such as the proper maintenance of classification plans, do not appear to warrant the lack of attention that they have received from federal representatives. A more logical explanation appears to be that the merit system councils have flourished and progressed because they are almost the sole concern of STAS whereas the supervision of personnel units in the operating agencies is thought to be the direct concern of the operating bureaus of the Board. Thus STAS hesitates to "interfere" with the responsibilities of the bureaus, and the bureaus find themselves poorly

equipped to stimulate and supervise the activities of the personnel unit.

On the basis of the problems and antagonisms created at both the state and federal levels because of lack of complete coordination, the writer believes that it is not only desirable but important for the future of the social security personnel program that there be a closer integration specifically of the bureaus and STAS and more generally of the personnel supervisory and other management supervisory activities of the federal grant-administering agency.

Feasibility of Central Administrative Service

There seems no doubt that the social security merit system program has demonstrated the feasibility and utility of providing central administrative services to the states. The lack of trained public personnel technicians in many states virtually dictated the Board's decision to establish a central unit. It has proved to be more than just a temporary expedient to train state personnel workers and to provide assistance to state personnel agencies during their organization period. In fact, STAS has tended to reduce the number of personnel technicians that might otherwise be required in the states, and has made available a higher quality of technical services than might otherwise have been attainable. Even if the states had been assessed their share of the cost for the services rendered, the cost would have been lower than if each state agency had attempted to do a comparable job.

Both the Social Security Board and the state personnel agencies have benefitted from the central services. The Board has been able to assure itself that the states were using the best available techniques and has been able to exercise close control over technical personnel administration through the medium of controlling the type of techniques supplied to the states. For the most part, the states have been glad to use the technical services of the Board to supplement their own work, particularly since these services were gratuitous.

The three major technical personnel jobs that have been performed by STAS are training of state personnel workers, preparation of state agency classification plans, and the construction of examinations. In each of these three fields of personnel ac-

tivity it has been necessary to work out adaptations to local situations of the centrally devised services. Examinations items constructed in Washington are reviewed carefully by the state personnel agency and subject matter experts familiar with the problems of the state operating agency for which the examinations are to be administered. Federal classification consultants perform their services in the field and thus combine their knowledge of common classification practice in other state agencies with their understanding of federal requirements, and with their familiarity with the particular organizational structure of the operating agency whose positions they are classifying. Formal training courses were originally held in Washington but gave way to regional conferences of state personnel workers and informal training on the job by federal personnel consultants.

While techniques of administering central services have still to be perfected, and while there are many potential personnel services that have yet to be offered by STAS, the present status of the personnel advisory program of the Social Security Board indicates that central administrative services are both feasible and useful.

Summary

The Social Security Board has been the first federal grant-administering agency to require as a prerequisite to the receipt of federal grants that state operating agencies establish and maintain comprehensive standards of personnel administration on a merit basis. Out of the experience of the Board a number of broad conclusions may be reached concerning the administration of state personnel standards in a grant-in-aid program.

In the preceding pages seven hypotheses concerning the social security merit system program were examined and answered on the basis of the data presented earlier in this study. The frame of reference in each instance has been that of the social security grant-in-aid program. To the extent that an understanding of the social security experience furthers an understanding of more general grant-in-aid principles, observations about the Social Security Board's state personnel program will have importance outside their immediate sphere of reference. It is in this sense that these conclusions are offered as contributions to general policies of grant-in-aid administration.

The hypotheses which were proposed and affirmed were: (1) that the grant-in-aid device has proved feasible as a method for stimulating improvement of personnel standards in state social security agencies; (2) that there is need for complete participation and coöperation at the state level of government; (3) that persuasion alone is insufficient to ensure the adoption and maintenance by states of a sound personnel system; (4) that federal minimum personnel standards must be detailed and specific; (5) that close federal control over personnel standards of state agencies permits relaxation of detailed federal supervision over other administrative standards; (6) that close integration of personnel supervisory activities of the federal grant-administering agency is desirable; and (7) that the provision of central administrative services is feasible and useful.

The writer ventures the opinion that all of the conclusions drawn will have pertinence for other federal agencies engaged in improving state personnel standards through the technique of the grant-in-aid device. There is no doubt that the pioneer work of the Social Security Board has paved the way for steady expansion of federal programs for state personnel supervision. The Board's own methods of administration are undergoing constant improvement, and new federal-state personnel programs should be able to benefit from the Board's experience.

